

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

Consumer Financial Protection Bureau and
the People of the State of New York by
Letitia James, Attorney General for the State
of New York,

Plaintiffs,

v.

MoneyGram International, Inc. and
MoneyGram Payment Systems, Inc.,

Defendants.

Case No. 22-cv-3256 (KPF)

**MEMORANDUM IN SUPPORT OF CONSENT MOTION BY PLAINTIFF CONSUMER
FINANCIAL PROTECTION BUREAU TO WITHDRAW AS A PLAINTIFF**

Pursuant to Federal Rule of Civil Procedure 21, Plaintiff Consumer Financial Protection Bureau (Bureau) respectfully requests that this Court drop the Bureau as a Plaintiff in this action and withdraw the appearances of its counsel. Counsel for Defendants MoneyGram International, Inc. and MoneyGram Payment Systems, Inc. indicated that they consent to this motion. Counsel for Plaintiff the People of the State of New York by Letitia James, Attorney General for the State of New York indicated that New York does not oppose this motion.

Rule 21 permits this Court “at any time, on just terms, [to] add or drop a party.” Under the Rule, this Court has “broad discretion to permit a change in the parties at any stage of a litigation.” *Ramirez v. Bernstein*, No. 17 CV 3825 (VB), 2020 WL 7230729, at *2 (S.D.N.Y. Dec. 7, 2020). Here, granting the Bureau’s motion would be consistent with principles of justice and fairness. This request will cause no prejudice to Defendants or the remaining Plaintiff. Further, the Bureau’s request is consistent with the parties’ February 7, 2025 joint request for a

60-day stay. In that joint request, the parties explained that such a pause in proceedings would provide more time for Bureau counsel to consult new Bureau leadership regarding this matter.

See ECF No. 108. The court granted the parties' February 7 stay motion. *See* ECF No. 109. Now, consistent with that motion and while the case has been stayed, the Bureau's new leadership provided the direction for the instant motion, seeking to withdraw the Bureau.¹

While the Bureau is not the sole plaintiff in this action and thus did not file a notice to dismiss the action under Federal Rule of Civil Procedure 41(a),² if the Court believes that the Rule 41 standard should govern, the Bureau's request to withdraw would also satisfy that rule's standards as to the Bureau's claims. *Cf. Wakefield v. N. Telecom, Inc.*, 769 F.2d 109, 114 n.4 (2d Cir. 1985) (holding that withdrawal of a claim under Rule 15 is subject to the same standard of review as a withdrawal under Rule 41(a)). At this early stage of litigation, where Defendants have not filed an answer or a summary judgment motion, the Bureau could dismiss the action by notice if it were the sole plaintiff. *See* Fed. R. Civ. P. 41(a)(1)(A)(i).

For the foregoing reasons, the Bureau respectfully requests that this Court grant its motion to be dropped as a plaintiff and for related relief.

¹ Scott Bessent has now been replaced as Acting Director of the Bureau by Russell Vought, the Director of the Office of Management and Budget.

² The Bureau did not file this motion under Rule 41 because the Bureau does not seek to dismiss the whole action. *Cf. Harvey Aluminum, Inc. v. Am. Cyanamid Co.*, 203 F.2d 105, 108 (2d Cir. 1953) (applying Rule 21 to consider whether to drop a defendant from a case).

Dated: April 7, 2025

Respectfully submitted,

MARK PAOLETTA
Chief Legal Officer

VICTORIA DORFMAN

CARA PETERSEN
Acting Enforcement Director

RICHA SHYAM DASGUPTA
Deputy Enforcement Director

JAMES T. SUGARMAN
Assistant Deputy Enforcement Director

s/Rebecca Smullin
REBECCA SMULLIN
Enforcement Attorney
Email: rebecca.smullin@cfpb.gov
Telephone: 202-435-7546
1700 G Street NW
Washington, DC 20552

Attorneys for Plaintiff
Consumer Financial Protection Bureau

CERTIFICATE OF COMPLIANCE

I hereby certify that the foregoing document, excluding the caption, signature block, and required certificates, contains 484 words and thus complies with the word-count limitation in Local Civil Rule 7.1(c) and this Court's Individual Rules of Practice in Civil Cases ¶ 4.B.

/s/ Rebecca Smullin
Rebecca Smullin